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APPLICATION

Honorable Philip N. Asprodites Commissioner of Conservation P.O. Box 94275 Baton Rouge, LA 70804-9275

RE:

12,100' Sand, Reservoir A Bayou Portuguese Field Lafourche Parish, Louisiana

Dear Commissioner Asprodites:

Application is hereby made on behalf of **PetroQuest Energy, Inc.** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the 12,100' Sand, Reservoir A, in the Bayou Portuguese Field, Lafourche Parish, Louisiana, to-wit:

- To establish rules and regulations and create a single drilling and production unit for the exploration for and production of gas and condensate for the unit to be designated the 12,100' RA SUA;
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the 12,100' Sand, Reservoir A, with each tract sharing in unit production on a surface acreage basis of participation;

- To designate PetroQuest Energy, Inc. as unit operator for the proposed unit;
- 4. To designate the PetroQuest Energy, Inc. 3 Tec Energy No. 1 Well as the unit well for the proposed unit;
- To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation; and
- 6. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The 12,100' Sand, Reservoir A, in Bayou Portuguese Field, Lafourche Parish, Louisiana, is hereby defined as being that gas and condensate bearing sand encountered between the depths of 12,500 feet and 12,520 feet, electrical log measurements (12,081 feet and 12,098 feet TVD), in the PetroQuest Energy, Inc. - 3 Tec Energy No. 1 Well, the surface of which is located in Section 63, Township 16 South, Range 19 East, Lafourche Parish, Louisiana.

Pursuant to Rule 8 of the Rules of Procedure, the Commissioner of Conservation has waived the pre-application notice requirement. A conference to discuss the proposed application is hereby scheduled for Monday, August 13, 2001 at 11:00 a.m. at The Onebane Firm, 102 Versailles Blvd., Suite 600, Lafayette, Louisiana, (337)237-2660.

Pertinent data concerning this application can be obtained AT THE COST OF THE REQUESTING PARTY by contacting William S. McAlister, Jr. at Leon E. Comeaux & Associates, 305 La Rue France, Lafayette, Louisiana 70508, (337) 233-9839.

There is attached hereto and made a part hereof a plat outlining the proposed unit, and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties, and Interested Parties.

Finally, there is also enclosed our check in the amount of \$700.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,

RANDALL C. SONG

RCS/dde/bad

Enclosures

cc: Mr. Richard D. Hudson, District Manager

All Interested Owners, Represented Parties and Interested Parties

